

Missouri Attorney General

Attorney General's News Release

October 8, 2010

Attorney General Koster announces \$72 million settlement with Doe Run

Jefferson City, Mo. – Attorney General Chris Koster today announced that Doe Run Resources Corp. of St. Louis, North America's largest lead producer, has agreed to spend approximately \$65 million to correct violations of several environmental laws at ten of its lead mining, milling, and smelting facilities in Southeast Missouri. The settlement also requires the company to pay a \$7 million civil penalty.

The \$7 million civil penalty includes \$3.5 million to be paid to the United States for violation of a number of federal environmental laws, with another \$3.5 million going to Missouri for violation of the Missouri Air Conservation Law, Clean Water Law, and Hazardous Waste Management Law. In addition, Doe Run will establish trust funds of from \$28 million to \$33 million to clean up facilities at Herculaneum, Brushy Creek, Buick, Fletcher, Sweetwater, Viburnum, and West Fork.

"This settlement represents a big win for families who live in Southeast Missouri," Koster said. "Children are particularly vulnerable to the harmful effects of high levels of lead, and this settlement ensures that Doe Run will take responsible actions to clean up the environment and protect Missourians from dangerous pollution."

Koster said when pollution controls are installed and operational changes are implemented, the reduction in dangerous pollutants, such as lead and carbon monoxide, will result in significant health and environmental benefits to the Herculaneum and St. Louis areas, which are currently violating federal air standards for lead, ozone, and particulate matter. In addition to improved air quality, the settlement will result in significant improvements to the water quality of streams adjacent to the Doe Run facilities, all of which are currently considered impaired because of pollution.

Doe Run has made a business decision to shut down its lead smelter in Herculaneum by December 31, 2013. The agreement leaves open the possibility for Doe Run to implement newer and cleaner technologies for lead smelting that will significantly reduce hazardous emissions and the generation of slag. The company will provide an initial \$8.14 million in financial assurance to guarantee cleanup work at the Herculaneum facility. Closing the Herculaneum smelter is expected to result in significant benefits to public health and the environment by reducing at least 42,000 tons of sulfur dioxide and approximately 30 tons of lead per year that had been released into the environment.

The settlement will also provide other important benefits to the residents of Southeast Missouri. Doe Run must continue its cleanup of contaminated properties in Herculaneum and will perform stream mitigation activities on 8.5 miles of Bee Fork Creek at a cost \$5.8 million. Doe Run will also pay for \$2 million in community projects over 4 years, including clean diesel retrofits, school lab clean outs, school energy efficiency projects and ground source heat pumps.